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RECORDATION NO. **22754-U** FILED

MAY 13 '02

2:35 PM

SURFACE TRANSPORTATION BOARD

lgitomer@bjllp.com

May 13, 2002

Honorable Vernon A. Williams
Secretary
Surface Transportation Board
Washington, DC 20423

Dear Secretary Williams:

I have enclosed the original and one certified copy of the document described below, to be recorded pursuant to 49 U.S.C. § 11301.

The document is a Release from Surface Transportation Board Filed Encumbrance, a secondary document, dated May 9, 2002. The primary document to which this is connected is recorded under Recordation No. 22754. We request that one copy of this document be recorded under Recordation No. 22754-U.

The name and address of the party to the Release from Surface Transportation Board Filed Encumbrance is:

Secured Party:

The Bank of Nova Scotia
600 Peachtree Street, Suite 2700
Atlanta, GA, 30308

A description of the equipment covered by the Release from Surface Transportation Board Filed Encumbrance consists of one GP-28 locomotive numbered KRC 1827.

BALL JANIK LLP

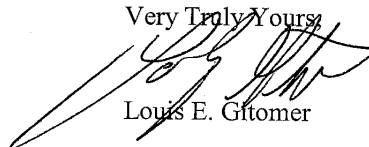
Honorable Vernon A. Williams
May 13, 2002
Page 2

A fee of \$30.00 is enclosed. Please return the original to:

Louis E. Gitomer
Of Counsel
Ball Janik LLP
Suite 225
1455 F Street, N.W.
Washington, DC 20005

A short summary of the document to appear in the index follows: a Release from Surface Transportation Board Filed Encumbrance by The Bank of Nova Scotia, 600 Peachtree Street, Suite 2700, Atlanta, GA, 30308, covering one GP-28 locomotive numbered KRC 1827.

Very Truly Yours,

A handwritten signature in black ink, appearing to be "L. Gitomer", written over the typed name.

Louis E. Gitomer

Enclosures

Release from Surface Transportation Board Filed Encumbrance

Release herein is made to the U.S. Pledge and Security Agreement (as amended, supplemented, amended and restated or otherwise modified from time to time, the "Pledge and Security Agreement"), dated as of February 4, 2000, made by RailAmerica, Inc., a Delaware corporation, Palm Beach Rail Holdings, Inc., a Delaware corporation, and RailAmerica Transportation Corp., a Delaware corporation (the "Company") and each Subsidiary (as defined in the Pledge and Security Agreement) of the Company a signatory thereto, in favor of The Bank of Nova Scotia, as Administrative Agent for each of the Secured Parties.

The Administrative Agent hereby release the assignment, pledge, hypothecation, charge, mortgage, delivery, and transfer of the property listed on Exhibit A as attached hereto that was recorded with the Surface Transportation Board under Recordation Number 22754.

Dated as of May 9th, 2002.

THE BANK OF NOVA SCOTIA,

As Administrative Agent

By: [Signature]

Title: [Signature]

State of Georgia)
)
County of Fulton) ss.

On this 9th day of May, 2002, before me James R. Willson the undersigned Notary Public, personally appeared Chris J. Allen personally known to me to be the person who executed the within instrument as Managing Director on behalf of the corporation therein named, and acknowledged to me that the corporation executed it.

James R. Willson
Notary Public for Georgia

My Commission expires 8-22-03

RECORDATION NO. 22754-2 FILED

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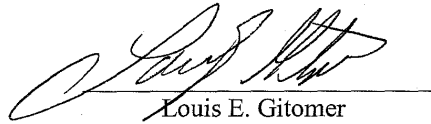
SURFACE TRANSPORTATION BOARD

EXHIBIT A

KRC 1827 GP-28

CERTIFICATION

I, Louis E. Gitomer, have compared this copy to the original Release from Surface Transportation Board Filed Encumbrance dated as of May 9, 2002, and found the copy to be complete and identical in all respects to the original document. I declare under penalty of perjury that the foregoing is true and correct.

A handwritten signature in black ink, appearing to read "Louis E. Gitomer", is written over a horizontal line.

Louis E. Gitomer
May 13, 2002